

AMENDMENT OF SOLICITATION/MODIFICATION OF CONTRACT				1. CONTRACT ID CODE		PAGE OF PAGES 1 7	
2. AMENDMENT/MODIFICATION NO. 0001		3. EFFECTIVE DATE 04-Sep-2003		4. REQUISITION/PURCHASE REQ. NO. SEE SCHEDULE		5. PROJECT NO.(If applicable)	
6. ISSUED BY NAVSEA INDIAN HEAD 101 STRAUSS AVE. ATTN: PATSY KRAGH 1142P KRAGHPA@IH.NA VY.MIL INDIAN HEAD MD 20640-5035		CODE N00174		7. ADMINISTERED BY (If other than item 6) See Item 6		CODE	
8. NAME AND ADDRESS OF CONTRACTOR (No., Street, County, State and Zip Code)				X		9A. AMENDMENT OF SOLICITATION NO. N00174-03-R-0046	
				X		9B. DATED (SEE ITEM 11) 26-Aug-2003	
						10A. MOD. OF CONTRACT/ORDER NO.	
						10B. DATED (SEE ITEM 13)	
CODE		FACILITY CODE					
11. THIS ITEM ONLY APPLIES TO AMENDMENTS OF SOLICITATIONS							
<input checked="" type="checkbox"/> The above numbered solicitation is amended as set forth in Item 14. The hour and date specified for receipt of Offer <input checked="" type="checkbox"/> is extended, <input type="checkbox"/> is not extended. Offer must acknowledge receipt of this amendment prior to the hour and date specified in the solicitation or as amended by one of the following methods: (a) By completing Items 8 and 15, and returning _____ copies of the amendment; (b) By acknowledging receipt of this amendment on each copy of the offer submitted; or (c) By separate letter or telegram which includes a reference to the solicitation and amendment numbers. FAILURE OF YOUR ACKNOWLEDGMENT TO BE RECEIVED AT THE PLACE DESIGNATED FOR THE RECEIPT OF OFFERS PRIOR TO THE HOUR AND DATE SPECIFIED MAY RESULT IN REJECTION OF YOUR OFFER. If by virtue of this amendment you desire to change an offer already submitted, such change may be made by telegram or letter, provided each telegram or letter makes reference to the solicitation and this amendment, and is received prior to the opening hour and date specified.							
12. ACCOUNTING AND APPROPRIATION DATA (If required)							
13. THIS ITEM APPLIES ONLY TO MODIFICATIONS OF CONTRACTS/ORDERS. IT MODIFIES THE CONTRACT/ORDER NO. AS DESCRIBED IN ITEM 14.							
A. THIS CHANGE ORDER IS ISSUED PURSUANT TO: (Specify authority) THE CHANGES SET FORTH IN ITEM 14 ARE MADE IN THE CONTRACT ORDER NO. IN ITEM 10A.							
B. THE ABOVE NUMBERED CONTRACT/ORDER IS MODIFIED TO REFLECT THE ADMINISTRATIVE CHANGES (such as changes in paying office, appropriation date, etc.) SET FORTH IN ITEM 14, PURSUANT TO THE AUTHORITY OF FAR 43.103(B).							
C. THIS SUPPLEMENTAL AGREEMENT IS ENTERED INTO PURSUANT TO AUTHORITY OF:							
D. OTHER (Specify type of modification and authority)							
E. IMPORTANT: Contractor <input type="checkbox"/> is not, <input type="checkbox"/> is required to sign this document and return _____ copies to the issuing office.							
14. DESCRIPTION OF AMENDMENT/MODIFICATION (Organized by UCF section headings, including solicitation/contract subject matter where feasible.) This amendment is being issued to incorporate technical evaluation criteria and extend the closing date of the solicitation.							
Except as provided herein, all terms and conditions of the document referenced in Item 9A or 10A, as heretofore changed, remains unchanged and in full force and effect.							
15A. NAME AND TITLE OF SIGNER (Type or print)				16A. NAME AND TITLE OF CONTRACTING OFFICER (Type or print)			
15B. CONTRACTOR/OFFEROR		15C. DATE SIGNED		16B. UNITED STATES OF AMERICA		16C. DATE SIGNED	
_____ (Signature of person authorized to sign)				BY _____ (Signature of Contracting Officer)		04-Sep-2003	

SECTION SF 30 BLOCK 14 CONTINUATION PAGE

SUMMARY OF CHANGES

Changes in Solicitation/Contract/Order Form

1. The required response date/time has changed from 26-Sep-2003 15:00 to 03-Oct-2003 15:00
2. Technical evaluation is being added to the solicitation. Clauses IHD 195 located in Section L and IHD 211 located in Section M in the solicitation are hereby deleted and replaced with the following Clauses IHD 195 and IHD 211 as listed below:

IHD 195 - PROPOSAL REQUIREMENTS (FEB 2000) (NAVSEA/IHD)

GENERAL INFORMATION: Each offeror must submit an offer/proposal and other written information in strict accordance with these instructions. When evaluating an offeror the Government will consider how well the offeror complied with both the letter and spirit of these instructions. The Government will consider any failure on the part of the offeror to comply with both the letter and the spirit of these instructions to be an indication of the type of conduct it can expect during contract performance. Therefore, the Government encourages offerors to contact the Contracting Officer by telephone, facsimile transmission, e-mail, or mail in order to request an explanation of any aspect of these instructions.

The technical proposal, past performance information and the cost/price proposal shall be submitted in separate volumes. The technical proposal shall not contain any cost/pricing information.

The offeror shall submit the following information:

1. Three (3) copies of the technical proposal, Volume I.
2. Two (2) copies of the past performance information, Volume II.
3. Two (2) completed and signed solicitation packages, with all representation and certifications executed, and with prices in Section B, Volume III.

Volume I , II & III shall be provided by closing date of the solicitation to:

Naval Surface Warfare Center
101 Strauss Avenue, Bldg 1558
Attn: Patsy Kragh, Code 1142P
Indian Head MD 20640-5035

OFFERORS SHALL ADDRESS THE FOLLOWING FACTORS: (Listed in order of importance) Information shall be submitted as detailed below.

Factor 1 - Management and Quality Assurance
Factor 2 - Technical Comprehension
Factor 3 - Facilities and Equipment
Factor 4 - Past Performance
Factor 5 - Cost/Price

VOLUME I – TECHNICAL PROPOSAL

The technical proposal shall contain information/documentation in sufficient detail to enable evaluation based on the factors/sub-factors listed in Section M, Clause entitled Best Value Evaluation and Basis for Award and as detailed below. To this end, each technical proposal shall be so specific, detailed and complete as to clearly and fully demonstrate that the prospective contractor has a thorough knowledge and understanding of the requirements and has valid and practical solutions for technical problems. Statements which paraphrase the specifications or attest that standard procedures will be employed, are inadequate to demonstrate how it is proposed to comply with the requirements of the specifications and this clause.

The technical proposal shall be limited to seventy-five (75) pages, single-sided, no foldouts, 1 ½ spaced, 10 pitch type (or work processor equivalent). The pages shall be evaluated with respect to those pages numbered from (1) to the specified limit with excess pages treated as though not submitted and not evaluated.

Volume I - Shall address Factors 1, 2 and 3 supplements as detailed below:

Factor 1 – Management and Quality Assurance

The offeror shall provide an organization chart with information on how all work efforts will be managed. The offeror shall identify procedures for tracking work in process and provide a milestone chart for each individual item. Although exact dates are not required in response to this solicitation, this chart shall identify the start time as Award of Contract/Purchase Order and include the sequential start and finish times for the following events. This chart shall contain as a minimum the following time lines.

- a. Award of Contract/Purchase Order
- b. Ordering of Production Material
- c. Receipt of Production Material
- d. Start of Production Manufacturing
- e. Inspection points
- f. Completion of manufacturing
- g. Final inspection of Production Material by the cognizant Contract Administration Office
- h. Shipping of Production Material to NAVSEA IHDIV, NSWC

The offeror shall provide a copy of their Quality Control manual that documents all aspects of corporate quality control. This manual shall be evaluated to insure the offeror has the appropriate controls in place to meet the requirements of Factor 1, Management and Quality Assurance and Factor 2, Technical Comprehension.

Factor 2 – Technical Comprehension

The offeror shall provide an in-depth plan detailing how the following processes will be performed, controlled and monitored:

1. Subcontractor support for:
 - a. Purchase of incoming materials including verification and certification.
 - b. Any part of the manufacturing process not performed by the offeror.
2. Mechanical calibration and measuring equipment:
 - a. Calibration intervals are based on stability, purpose and degree of use
 - b. Inspection laboratory has environmental controls
 - c. Calibration standards are traceable to National Institute of Standards and Technology (NIST)
3. Documentation Control:
 - a. Quality Assurance procedures
 - b. Specifications
 - c. Inspection instructions
4. Understanding of Dimensioning and Tolerancing Standard ANSI Y14.5M.

Factor 3 – Facilities and Equipment

The offeror shall submit a sketch of the plant facility showing square footage of shop and list equipment and number of people involved in the manufacturing process and listing all manufacturing and inspection machines/equipment available in-house to effectively produce and deliver all items for which they are requesting to be considered. The offeror shall list maximum throughputs for equipment used to manufacture the items being bid on and present workload for said equipment.

VOLUME II - PAST PERFORMANCE - (Shall contain only Past Performance Information)

Factor – 4 Past Performance

Past performance is a measure of the degree to which an offeror, as an organization, has during the past three (3) years: (1) satisfied its customers, and (2) complies with federal, state, and local laws and regulations. The offeror shall provide a list of references using the Past Performance Matrix, (attached), who will be able to provide information regarding the offeror's past performance during the past three (3) years regarding: (1) customer satisfaction; (2) timeliness; (3) realibility success; (4) program management; (5) and the quality of products.

The offeror will submit the Past Performance Questionnaire (attached) to each of the references listed on the Past Performance Matrix, a minimum of three (3) is required. **THE OFFEROR SHALL INSTRUCT THE REFERENCES TO COMPLETE THE PAST PERFORMANCE QUESTIONNAIRE AND MAIL THEM DIRECTLY TO:**

Naval Surface Warfare Center
101 Strauss Avenue, Bldg 1558
Attn: Patsy Kragh, Code 1142P
Indian Head MD 20640-5035

BY NO LATER THAN THE CLOSING DATE OF THE SOLICITATION

The offeror's selected references must be listed on the Past Performance Matrix. Failure of the references to submit the Past Performance Questionnaire to the Contract Specialist by **Closing Date of Solicitation** will result in the inability of the Government to rank the offeror's past performance.

NOTE: PAST PERFORMANCE INFORMATION & QUESTIONNAIRE SHEETS ARE ATTACHMENTS TO THE SOLICITATION.

VOLUME III - Price (with completed solicitation package)

Factor 5 – Cost/Price

Although price is the least important factor, it will not be ignored. The degree of its importance will increase with the degree of equality of the offers in relation to the other factors on which selection is to be made. Price will be evaluated by the Contracts personnel to determine fair and reasonableness through the most appropriate method available.

This folder/binder shall contain (2) complete copies of the solicitation (the RFP) with all Representations/Certifications executed and pricing appropriately noted in Section B or any continuation sheets. Information should be submitted to clearly show the basis for the amount of each cost element and how the amount was developed providing sufficient information for government use in determining the proposed prices fair and reasonable.

**IHD 211 - SECTION M BEST VALUE EVALUATION AND BASIS FOR AWARD (FFP) (MAR 2000)
(NAVSEA/IHD)**

I. The contract resulting from this solicitation will be awarded to that responsible offeror whose offer, conforming to the solicitation, is determined most advantageous to the Government price and other factors considered. The offeror's proposal shall be in the form prescribed by this solicitation and shall contain a response to each of the areas. Proposals will be evaluated and rated against the factors listed below, in descending order of importance:

Technical Proposal
Past Performance
Cost/Price

As technical proposals become more equal, past performance and price will become more significant factors. With respect to technical proposal, past performance and price, the government is more interested in obtaining technical excellence and superior performance than lowest price. However, the Government will not pay a price premium that it considers disproportionate to the benefits associated with the proposed margin of technical excellence and superior performance. In determining best overall value, the Government will first assess an offeror on the basis of Technical proposal and then compare and rank offerors on the basis of past performance. Then the Government will compare the tradeoffs between relative margins of technical ranking, performance and price. The offer who represents the best value will be the offeror who represents the best tradeoff between technical excellence, superior performance and price.

A. TECHNICAL PROPOSAL

1. The following technical factors shall apply:

Management and Quality Assurance
Technical Comprehension
Facilities and Equipment

2. All proposals which are unrealistic in terms of technical capabilities will be deemed reflective of an inherent lack of technical competence or indicative of failure to comprehend the complexity and risks of the proposed contractual requirements and may render the offer ineligible for award.
3. An offeror is required to submit a technical proposal as detailed herein. Failure to do so may render an offer ineligible for award.

B. PAST PERFORMANCE

1. The Government will evaluate the quality of the offeror's past performance. This evaluation is separate and distinct from the Contracting Officer's responsibility determination. The assessment of the offeror's past performance will be used to evaluate the relative capability of the offeror and their competitors to successfully meet the requirements of the RFP. Past performance of significant and/or critical subcontractors will be considered to the extent warranted by the subcontractor's involvement in the proposed effort.

2. The Government will evaluate the quality of the offeror's past performance. This may include any aspect of past performance that is related to this contract. A record of poor past performance may be considered an indication that the offeror may be lacking in areas such as reliability, quality and customer satisfaction. However, a record of average or exceptional past performance will not result in favorable assessment of an otherwise technically deficient technical proposal. In evaluating an offeror's past performance, the Government will consider information contained in the offeror's past performance references, information obtained from other sources, including past and present customers, subcontractors and any others who may have useful information, and other past performance data available to the Government. Offerors with no past performance history will receive a neutral rating.

a. The subfactors listed below (which are equal in importance) will be used to evaluate past performance:

- i. Product Quality. The offeror's demonstrated ability to conform to contract specification requirements.
- ii. Reliability. The offeror's demonstrated ability to conform to contract requirements.
- iii. Timeliness. The offeror's demonstrated ability to meet contract schedules and delivery dates.
- iv. Customer Satisfaction. The offeror's demonstrated commitment to maintaining an acceptable level of performance and customer satisfaction.
- v. Program Management. The offeror's ability to meet or exceed its subcontracting plans.

3. Contracting Officers will use the following adjectival definitions as guidelines in evaluating past performance:

- a. Neutral: Offeror does not have any past performance information available for evaluation. Offeror does not receive merit or demerit for this evaluation factor.
- b. Excellent: The offeror's performance was consistently superior. The contractual performance was accomplished with minor problems, to which corrective action taken by the contractor was highly effective.
- c. Good: The offeror's performance was better than average. The contractual performance was accomplished with some minor problems, to which corrective actions taken by the contractor were effective. They would be willing to do business with the offeror again.
- d. Average: The offeror's performance was adequate. The contractual performance reflects a problem, to which the contractor has not yet identified corrective actions. Consideration would take part in awarding a contract to the offeror again.
- e. Poor: The offeror's performance was entirely inadequate. The contractual performance of the element being assessed contains problems, to which the contractor's corrective actions appear to be or were ineffective. They would not do business with the offeror again under any circumstances.

N/A - The contractual performance of the element being assessed was never a requirement, never an issue, or there is no knowledge of the element in question.

4. Offerors lacking relevant past performance history will receive a neutral rating for past performance. The offeror must provide the information requested above for past performance evaluation or affirmatively state that it possesses no relevant directly related or similar past performance. An offer that fails to provide the past performance information or to assert that the company has no relevant directly related or similar past performance may be considered ineligible for award.

C. COST/PRICE

1. Although price is not the most important evaluation factor, it will not be ignored. The degree of its importance will increase with the degree of equality of the proposals in relation to the other factors on which selection is to be based.
2. The Government may award a contract on the basis of initial offers received, without discussions. Therefore, each initial offer should contain the offeror's best terms from a cost/price, technical and past performance standpoint. However, if considered necessary by the contracting officer, discussions will be conducted only with those offerors determined to have a reasonable chance for award.

Once all evaluations are complete the corresponding scores shall be tabulated and placed in a chart as follows in this example.

Offeror	Score of Factors 1, 2 & 3*	Past Performance Rating	Cost/Price
A	88	Excellent	\$36,000
B	93	Excellent	\$47,500
C	0**	Good	\$39,500
D	82	Excellent	\$37,200
E	93	Poor	\$38,500

* - Not to exceed 100

** - Offeror did not submit technical criteria as stated in the RFP instructions – was not evaluated

Once this information is tabulated, offerors will be compared making value and price tradeoffs and award will be made to the offeror that represents the Best Value to the Government. If the offeror with the highest scores also represents the lowest price then that offeror is clearly the Best Value. If an offeror with higher scores has a higher price, then a determination must be made whether the difference in value is worth the higher price.

In the example the Government may award to Offeror A, or Offeror B (if it could be determined whether the difference in greater value is worth the difference in price when compared to Offeror A). Offeror C would not be considered for award due to a 0 technical score. Offeror E, even though reflective of a high technical score would be eliminated based on the POOR Past performance rating.